

State of Alaska FY2010 Governor's Operating Budget

Department of Environmental Conservation Drinking Water Component Budget Summary

Component: Drinking Water

Contribution to Department's Mission

Verify safe drinking water and compliance with Safe Drinking Water Act requirements.

Core Services

- Maintain state primacy for regulating public drinking water systems.
- Enforce public water system (PWS) monitoring requirements for drinking water contaminants.
- Review construction, installation, and operation plans and enforce engineering standards for PWS to protect public health and meet Safe Drinking Water Act requirements.
- Assist PWS owners in identifying the sources of their drinking water and help them develop strategies to effectively protect those sources from contamination.
- Provide technical and compliance assistance to PWS owners and operators, and the public.

Major Activities to Advance Strategies

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| <ul style="list-style-type: none"> • Complete plan reviews for construction, operation, and separation distance waivers. • Review reports (Consumer Confidence Reports) provided to consumers by PWS about sampling results. • Process variances, exemptions, and monitoring waivers, to reduce the number of PWS significantly out of compliance. • Respond to PWS noncompliance with assistance and enforcement, and make referrals to EPA when appropriate. • Help PWS owners prepare Emergency Response Plans and perform security audits on their water systems. | <ul style="list-style-type: none"> • Conduct sanitary surveys of PWS, certify third party sanitary survey inspectors, and review third party sanitary survey inspector reports. • Adopt and implement federal drinking water rules and develop and implement appropriate state drinking water regulations. • Submit timely primacy applications and regulation revisions to EPA. • Provide technical assistance about wellhead protection and overall drinking water protection to communities. • Review PWS sampling, monitoring, and reporting activities for all regulated drinking water contaminants. |
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FY2010 Resources Allocated to Achieve Results

FY2010 Component Budget: \$6,113,200

Personnel:

Full time	57
Part time	0
Total	57

Key Component Challenges

Alaska's Public Water Systems (PWS) continue to struggle meeting federal and State rules originating from the 1996 amendments to the Safe Drinking Water Act (SDWA). DEC adopts these federal rules as they are proposed by EPA. Adoption requires changes to the Alaska Drinking Water Regulations, 18 AAC 80, approval of those changes by EPA and a request that the State be granted primacy to implement that rule in Alaska. If Alaska does not adopt the federal rules, EPA enforces them. Many of the rules inter-relate so having two governments enforce them adds unneeded complexity to an already difficult compliance situation. In addition, EPA does not have the staff or experience to work with Alaska's remote PWS, relying on enforcement rather than assistance.

The new requirements establish additional expectations and new deadlines for compliance that will be difficult for PWS to meet. The new rules are complex and require more DEC involvement to help PWS owners and operators comply. The complexity of the new rules and regulatory requirements also means that DEC will need to provide more assistance to consulting engineers on the interpretation of the regulations and requirements so that systems are built or modified correctly.

In FY 2009 DEC will revise the Drinking Water Regulations, 18 AAC 80, to clarify PWS owner and operator responsibility, Synthetic Organic Chemical/Other Organic Chemicals (SOC/OOC) waiver application requirements, Volatile Organic Chemicals (VOC) waivers, and adopt the federal nomenclature. Additional revisions will be necessary in FY 2010 to adopt more rules proposed by EPA from the 1996 amendments to the Safe Drinking Water Act (Long Term 2 Enhanced Surface Water Treatment Rule and the Stage 2 Disinfectants/Disinfection By-products Rule), new fees and fee increases, and continue to clarify areas that are misinterpreted.

Federal Rules left to adopt:

If sufficient resources exist, DEC may request primacy for the Long Term 2 Enhanced Surface Water Treatment Rule and the Stage 2 Disinfectants/Disinfection By-products Rule in FY 2010. These rules will impact approximately 265 Alaska public water systems or 17% of the systems in the state and will require them to monitor and report treatment activities (turbidity excursions and minimum and maximum chlorine residuals). These are updates to previously adopted rules.

Also in FY 2010, we anticipate the need to adopt the Ground Water Rule. This rule will impact approximately 1,300 Alaska public water systems or 83% of the water systems in the state. Approximately 200 PWS will be impacted significantly by having to install additional treatment mechanisms, conduct more monitoring, and reporting requirements will also increase.

Even though DEC does not officially have primacy for these three rules, we are still heavily involved by offering technical and compliance assistance since EPA does not have the resources to do so.

Significant Changes in Results to be Delivered in FY2010

The Alaska Drinking Water Program is an EPA delegated primacy program with federal grants as the primary source of funding. For the past several years, federal funding - including use of the Drinking Water State Revolving Fund (DWSRF) set-asides - has not kept pace with increasing program costs and DEC has fallen behind in adopting new federal rules. EPA requires States to adopt federal rules within a specific timeframe. DEC has received extension agreements from EPA to put off adoption of the three most recent: Long Term 2 Enhanced Surface Water Treatment Rule, Stage 2 Disinfectants/Disinfection By-products Rule, and the Ground Water Rule. As a result, EPA retains primacy and enforcement for these rules in Alaska. Traditionally, EPA enforcement is more stringent, including significant administrative penalties without adequate technical assistance - making it difficult for public drinking water systems to attain and maintain compliance. EPA also does not provide assistance for PWS design and construction projects. If the State does not eventually gain full primacy for all federal drinking water rules, the EPA will take over the state drinking water program completely and primacy will be withdrawn from the state. If we lose primacy we also lose the ability to provide significant financial assistance to local communities through grants and loans.

Over the last three years the legislature has funded modest increases for this program to maintain primacy for safe drinking water. Those increases, in addition to union contract updates, relied on the availability of federal resources which are no longer obtainable. As a result, three of the four necessary positions remain vacant. Without adequate funding to pay for these positions, the Drinking Water Program is unprepared to adopt and implement federal drinking water rules, and is also unable to provide the necessary technical and compliance assistance to PWS owners and operators. This may result in DEC not obtaining primacy for the remaining three rules.

Major Component Accomplishments in 2008

- The Drinking Water Program participated in the coordination and instruction of one Basic Sanitary Survey Inspector workshop with the Alaska Training and Technical Assistance Center (ATTAC) in Anchorage. This 4.5 day training workshop is required for all staff and third party sanitary survey inspectors. Twenty participants attended the training. Public Water Systems are required to have sanitary surveys conducted on a regular basis, typically every three years.
- Workshops and open houses were conducted in Wasilla, Fairbanks and Anchorage to assist consulting engineers with plan review requirements for public water systems. The goal is to reduce the number of water systems built incorrectly which then result in a huge expense to the owner to bring into compliance.
- The Drinking Water Program developed an electronic sanitary survey form increasing the speed the information can be conveyed to water system owners and operators as well as DEC. This is critical if significant public health concerns exist.
- An engineer dedicated to implementing the sanitary survey program was hired. This position is responsible for the review and development of training material, organizing training events, reviewing completed surveys, and revocation of inspector credentials.
- DEC coordinated and facilitated nine PWS Technical Assistance Providers meetings and hosted a roundtable discussion during the Alaska Water Wastewater Management Association (AWWMA) annual conference in Anchorage, May 2008. These meetings provided focused, intense technical assistance to communities such as Gambell and Scammon Bay and also began the process with Tununak, Hydaburg, and Shaktoolik. The meetings bring all the agencies working with the community together so that efforts can be coordinated and the community effectively stays in compliance.
- The Drinking Water Program completed a joint EPA/DEC disinfectants/disinfection byproducts and microbial rules workshop in November 2007, to help public water system owners and operators and consultants understand the requirements of Stage 1 and Stage 2 Disinfectants/Disinfection By-Product Rules and all the Surface Water Treatment Rules. Over 110 people participated in the workshop.
- Comprehensive performance evaluation (CPE) week-long workshops were conducted for the Village of Selawik in September 2007 and the City of Saint Mary's in November 2007. These are intensive, highly interactive workshops that require active participation and extensive preparation. A goal of CPE workshops is to build and support sustainable public water systems by optimizing existing facilities and infrastructure.
- The Drinking Water Program assisted the community of Saint Mary's with comprehensive technical assistance (CTA) in May 2008, as a follow-up to the CPE that was completed November 2007, and also completed an onsite inspection for the Village of Pitkas Point water system in May 2007.

Statutory and Regulatory Authority

AS 44.46.020, AS 44.46.025, AS 46.03.020, AS 46.03.024, AS 46.03.050, AS 46.03.070, AS 46.03.080, AS 46.03.090, AS 46.03.100, AS 46.03.710, AS 46.03.720, AS 46.03.761, AS 46.03.900, 18 AAC 15, 18 AAC 72, 18 AAC 80

Contact Information

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Drinking Water Component Financial Summary

All dollars shown in thousands

	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,330.0	4,766.9	4,837.8
72000 Travel	136.3	250.7	250.7
73000 Services	646.9	827.1	827.1
74000 Commodities	80.8	177.6	177.6
75000 Capital Outlay	0.0	20.0	20.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,194.0	6,042.3	6,113.2
Funding Sources:			
1002 Federal Receipts	3,555.2	4,249.5	4,249.5
1003 General Fund Match	1,298.2	1,584.5	1,603.1
1004 General Fund Receipts	167.6	3.4	53.9
1005 General Fund/Program Receipts	173.0	204.9	206.7
Funding Totals	5,194.0	6,042.3	6,113.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2008 Actuals	FY2009 Management Plan	FY2010 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Federal Receipts	51010	3,555.2	4,249.5	4,249.5
General Fund Program Receipts	51060	173.0	204.9	206.7
Restricted Total		3,728.2	4,454.4	4,456.2
Total Estimated Revenues		3,728.2	4,454.4	4,456.2

**Summary of Component Budget Changes
From FY2009 Management Plan to FY2010 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2009 Management Plan	1,792.8	4,249.5	0.0	6,042.3
Adjustments which will continue current level of service:				
-Correct Unrealizable Fund Sources in the Salary Adjustment for the Existing Bargaining Unit Agreements	50.5	-50.5	0.0	0.0
-FY2010 Wage and Health Insurance Increases for Bargaining Units with Existing Agreements	20.4	50.5	0.0	70.9
FY2010 Governor	1,863.7	4,249.5	0.0	6,113.2

**Drinking Water
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2009</u> <u>Management</u> <u>Plan</u>	<u>FY2010</u> <u>Governor</u>		
Full-time	57	57	Annual Salaries	3,319,323
Part-time	0	0	COLA	132,741
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	1,749,355
			<i>Less 6.99% Vacancy Factor</i>	(363,619)
			Lump Sum Premium Pay	0
Totals	57	57	Total Personal Services	4,837,800

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Admin Asst III	1	0	0	0	1
Administrative Assistant I	1	0	0	0	1
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	2	1	0	0	3
Analyst/Programmer III	2	0	0	0	2
Analyst/Programmer IV	1	0	0	0	1
Env Eng Associate I	1	0	0	0	1
Environ Eng Asst I	0	1	0	1	2
Environ Eng Asst II	1	0	0	0	1
Environ Engineer I	1	2	1	1	5
Environ Engineer II	3	1	0	1	5
Environ Program Manager I	2	1	0	2	5
Environ Program Manager II	0	1	0	0	1
Environ Program Manager III	1	0	0	0	1
Environ Program Spec I	3	0	1	3	7
Environ Program Spec II	3	2	0	2	7
Environ Program Spec III	3	1	0	1	5
Environ Program Technician	1	1	1	2	5
Hydrologist I	1	0	0	0	1
Regulations Spec I	1	0	0	0	1
Regulations Spec II	1	0	0	0	1
Totals	30	11	3	13	57